GOVERNMENT OF INDIA
PANCHAYATI RAJ
LOK SABHA

UNSTARRED QUESTION NO:4718
ANSWERED ON:15.12.2016
Impact of 73rd and 74th Amendment Acts
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Will the Minister of PANCHAYATI RAJ be pleased to state:

a) whether the aims and objectives of 73rd and 74th amendments to the Constitution have been achieved, if so, the details thereof;
b) whether the Government has conducted any study in this regard and if so, the details thereof;
c) the extent to which the Panchayati Raj System has been strengthened over the years;
d) if so, the details thereof and the time by which the objectives of these two Acts would be fully realized;
e) whether the issues of changes in Panchayati Raj System have not been addressed and adequate funds have not been provided to the Panchayati Raj Institutions by Central Government, his Ministry and Central and State Finance Commissions; and
f) if so, the steps taken by the Government to strengthen the Panchayati Raj System?

Answer

MINISTER OF STATE IN THE MINISTRY OF PANCHAYATI RAJ
(SHRI PARSHOTTAM RUPALA)

(a) : 73rd and 74th Amendments to the Constitution have been enacted giving Constitutional status to the local self governments and providing an institutionalized platform for inclusive economic development and social justice. After the 73rd and 74th Constitutional Amendments were enacted, regular elections to local bodies and representation of Scheduled Castes (SCs), Scheduled Tribes (STs) and women within them have become mandatory. As per Articles 243G and 243W of the Constitution, States are to endow Panchayats and Municipalities, respectively with such powers and authority as may be necessary to enable them to function and to plan and implement schemes for economic development and social justice including those in relation to matters listed in the Eleventh and Twelfth Schedules, respectively. 'Panchayats' and 'Municipalities' being 'Local Governments', is a State subject and States Legislatures pass legislations suitable to their context. Mandatory provisions incorporated by the 73rd Amendment which include three tiers of Panchayats, direct election to seats at all three tiers of Panchayats and indirect elections to offices of chairpersons of Block and District Panchayats, reservations in seats and offices for the SCs, STs and women, rotation of reserved seats and offices of chairpersons, setting up of State Election Commissions and holding elections to Panchayats every five years, have been implemented by all the States except delay in holding of timely elections in the Union Territory of Puducherry and delay in constitution of State Finance Commissions in some States.

Under the 74th Constitutional Amendment except constitution of Metropolitan Planning Committee for every Metropolitan Area in some States, all the mandatory provisions like constitution of Municipalities, direct elections to territorial constituencies in a Municipality, constitution of Ward Committees, reservation of seats and offices of Municipalities for SCs, STs and women, holding of elections every five years by the State Election Commission and constitution of District Planning Committees have been implemented by the States.

(b): The implementation of the provisions introduced by the 73rd and 74th Constitution Amendments is reviewed by the Government from time to time through meetings and discussions with the States. The annual Devolution Index Report and the State of Panchayati Raj Reports commissioned by the Ministry of Panchayati Raj (MoPR) assesses the policy and legislative framework and outcomes of the State in respect of Panchayati Raj. The Ministry of Urban Development had undertaken a study on "Impact of the 74th Constitutional Amendment on the Working of Urban Local Bodies" during 2005.

(c) & (d): The Constitution of India recognizes Panchayats as 'Institutions of self-government'. 'Panchayats' being 'Local Bodies' is a State subject mandated under Part IX and List II (State List) of Seventh Schedule (Article 246) of the Constitution. Article 243G allows discretion to State Legislatures to endow to the Panchayats with powers and authority to enable them to function as institutions of local self-governance. The strengthening of PRIs is mainly dependent on the extent of powers (Functions, Funds and Functionaries) devolved by State to PRIs and capacity building of PRI functionaries that differ from state to state.

(e) & (f): Under the Fourteenth Finance Commission (FFC) award for the period 2015-20, grants to the tune of Rs. 2,00,292.20 crore are being devolved to Gram Panchayats constituted under Part IX of the Constitution and the State of Jammu and Kashmir for delivering basic services. Allocation and release of grants for the years 2013-14 to 2015-16 and the current year under Central Finance Commissions awards are given at Annexe-I. Under the scheme of Rashtriya Gram Swaraj Abhiyan (RGSA), the MoPR has provided financial assistance to the States for strengthening of Panchayati Raj across the country. The details of funds sanctioned, released and expenditure incurred during last three years and current year are given in Annexe-II. The release of funds under the schemes during the respective years has led to actualization of different activities necessary for strengthening of Panchayati Raj Institutions (PRIs) including building their capacities. The details of activities sanctioned under the schemes are given in Annexe-III.
MoPR has also supported decentralized planning through the Backward Regions Grant Fund (BRGF) and assisting States in developing Gram Panchayat Development Plan (GPDP). The provisions introduced through 73rd Constitution Amendment along with funds being devolved to Panchayats through the Union Finance Commission, other grants and own source revenues have helped in

improving the life of marginalized people and strengthening of PRIs.
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